

PAYSON CITY  
CITY COUNCIL AND REDEVELOPMENT AGENCY MEETING  
Payson City Center, 439 W Utah Avenue, Payson UT 84651  
Wednesday, May 4, 2022

CONDUCTING William R. Wright, Mayor

ELECTED OFFICIALS Brett Christensen, Linda Carter, Taresa Hiatt, Brian Hulet, Bob Provstgaard  
(6:55 p.m.), William R. Wright

STAFF PRESENT David Tuckett, City Manager  
Cathy Jensen, Finance Director  
Kim E. Holindrake, City Recorder  
Jason Sant, City Attorney  
Brad Bishop, Police Chief  
Robert Mills, Development Services Director  
Travis Jockumsen, Public Works Director/City Engineer  
Michael Bryant, Planner II  
Karl Teemant, Community Services Director  
Kim Lefler, Communities That Care Coordinator

OTHERS Michelle Lines – Chamber of Commerce, Shauna Mecham – Mountainland  
Association of Governments, Sheila Michaelis, Jerry Robinson, Dave  
Gardner, Trent Beasley

William R. Wright, Mayor, called this meeting of the City Council of Payson City, Utah, to order at 6:02 p.m. The meeting was properly noticed.

A. PRAYER & PLEDGE OF ALLEGIANCE

Prayer offered by Bill Wright.

Pledge of Allegiance led by Michelle Lines.

B. CONSENT AGENDA

1. Approval of the March 30, 2022 Special City Council Meeting and Work Session Minutes
2. Approval of the April 6, 2022 City Council Meeting Minutes
3. Proclamation – National Police Week
4. Proclamation – Emergency Medical Services Week
5. Proclamation – National Public Works Week
6. Authorization for new trail in the Forebay Recreation Area
7. Resolution - Transfer of the 46kV Line System from Strawberry Water Users Association to Southern Utah Valley Power Systems

**MOTION: Councilmember Hulet – To approve the consent agenda.** Motion seconded by Councilmember Christensen. A roll call vote was taken as follows and the motion carried.

Yes - Linda Carter  
Yes - Brett Christensen  
Yes - Taresa Hiatt  
Yes - Brian Hulet

## C. PETITIONS, REMONSTRANCES & COMMUNICATIONS

### 1. CTC: Mayor's Youth Recognition

Mayor Wright and Kim Lefler presented Mayor's Youth Recognition Awards to Ben McKenna, Mt. Nebo Middle School and Kelsey Argyle, Payson High School.

### 2. Payson/Santaquin Area Chamber of Commerce Quarterly Report

Michelle Lines reported the Chamber installed five new board members in January, they are on fire, and excited to see changes in the business community. The Chamber now offers free ribbon cuttings for all new businesses, which includes a welcome package. The Chamber is gearing up for the Hometown Market in June in Santaquin. In Payson, the Easter egg/scavenger hunt just completed. Six new businesses joined the Chamber in the last month, and there are currently 150 members. The business community is growing. Sandwich Queen and Haven Barber Shop open this month in Payson and will have ribbon cuttings.

### 3. Public Forum

No public comments.

### 4. Staff and Council Reports

#### Staff Reports

RECREATION – Karl Teemant reported adult volleyball and coed volley are ending next week. Adult softball has started, and youth baseball and softball start next week. The youth track club has 84 kids competing. The hiring of pool staff is underway with some positions still open. The pool water heaters in the showers are installed.

POLICE – Chief Brad Bishop reported the Special Olympics torch run is on May 12 at 8 a.m. and will run from 1400 South to the hospital. Law enforcement appreciation is next week; appreciates the council adopting the proclamation. There will be a luncheon on May 17 for the officers and the council is welcome to attend. New hire testing is tomorrow; the last new hire elected to go somewhere else.

PUBLIC WORKS – Travis Jockumsen stated UDOT is repaving all of SR-198 from Salem to Santaquin and 800 South from the interchange up to SR-198, which should be done in July. The City is installing a sewer line during this repaving process.

ADMINISTRATION – Dave Tuckett thanked the Water Department for getting the pressurized irrigation water on. The storm was helpful but still under normal. Tomorrow morning at 8 a.m. is an employee meeting/breakfast and health open enrollment.

## Council Reports

Councilmember Hiatt thanked Wes Barney for a great job at the Arbor Day tree planting. She thanked the employees who are busier than most think. They take on the job and do what they have to do.

Councilmember Carter appreciates the employees. She passes by the park several times a day and always sees the workers cleaning it up. The cemetery looks really good also. She wishes for more pickleball courts; they are busy a lot. She suggested signage stating a designated time for using the pickleball courts.

Councilmember Hulet stated Parris RV has been open less than one month and has sold 115 trailers, which is great for Payson. There is a lot of interest in Payson with commercial, industrial, and retail inquiries. Employees do a fantastic job; the City is understaffed because of growth.

Councilmember Christensen stated as his kids played spring soccer, he noted the City needs to look at the parking situation. The red paint on the curbs east of the ballfields has faded. He suggested repainting the curbs or allow parking. Ball games need to be staggered differently to allow time for people to vacate the parking. The ballfield facilities are beautiful. He questioned if the Beautification Committee is moving forward.

Mayor Wright stated the Beautification Committee is moving along.

### D. ACTION ITEMS

1. Public Hearing/Resolution – Review and Adoption of Tentative Budget for Fiscal Year 2022-2023 (6:27 p.m.)

#### Staff Presentation:

Dave Tuckett stated under state law the tentative budget needs to be adopted today and a public hearing set for the final budget adoption. Meetings and work sessions will be held and changes can be made to the tentative budget until the final budget is adopted.

#### Budget Overview:

- The entire tentative budget is proposed at \$76,359,418. Changes to the tentative budget will be brought forward for the final budget. The tentative budget includes department requests, changes to the sewer department to reflect bonding and prepayment of equipment, and the certified tax rate (CTR) projection and revenue updates. The big challenge is the sewer plant upgrade, which is required by the State to deal with the phosphorus and other minerals. Costs have skyrocketed, and there are supply chain problems. The City will close on the loan with the State tomorrow for \$14.5 million with the remaining \$44 plus million on the market. The design is being completed. The City has done a Truth in Taxation hearing the last six or seven years to keep the CTR the same or raise it, which was done twice. The CTR and utility rates were not raised during COVID.

#### Budget Highlights:

- Market adjustments have been made to individual wage (6%).

- Departments have received what the department heads requested in operation budgets, which includes supplies, maintenance, and personnel. Above that is the capital projects, which need to be determined.
- Additional funds have been allocated to parking lots (\$300,000) and sidewalks (\$100,000).
- On-call pay was standardized for eligible employees.
- New positions were added for police patrol, part-time recreation maintenance, increased library pay for some employees, two hours per day added for drive-up window coverage, golf assistant, Fire Marshall, and inspector/plans examiner.

#### Insurance Renewal:

- General Liability - Net \$369,275, which is a \$44,050 increase.
- Workers Comp – Net \$125,644 with a \$4,982 decrease.
- Employee Health Insurance – Approximately 2% increase.

#### Requested and Funded:

- Equipment: Fire - \$48,000, IT - \$19,500, Landfill - \$250,000, Police - \$9,013, Power - \$456,000, Vehicle Maintenance - \$1,170,027
- Projects: ARPA-Capital - \$1,800,000, B&C – \$745,936, Development Services - \$265,000, Downtown \$5 Million Project - \$8,400,000, Facilities – \$152,000, Landfill - \$200,000, Perpetual Care - \$200,000, Pool - \$53,000, Power - \$1,125,000, Sewer - \$165,000, Storm Drain - \$41,750, Water - \$2,219,900, Water Impact Fees - \$911,071
- Personnel: Administration - \$10,350, Fire - \$112,900, Golf - \$57,700, Library - \$7,000, Planning and Development - \$76,800, Police - \$98,767, Recreation - \$19,700

#### Requested and Not Funded:

- Equipment: Water - \$75,000, Fire - \$9,750,000, Landfill - \$390,000, Police - \$7,100, Sewer - \$260,000, Vehicle Maintenance - \$2,474,000
- Projects: B&C - \$289,000, B&C CDBG Project - \$500,000, CDBG 500 S Sidewalk - \$275,000, COVID - \$875,784, Development Services - \$57,800, Facilities - \$17,000, Power - \$665,000, Sewer - \$2,500,000, Storm Drain - \$260,000, Vehicle Maintenance - \$289,000
- Personnel – Ambulance - \$420,113, Fire - \$108,251, Grounds - \$64,218, Parks - \$60,566, Planning and Development - \$10,600, Police - \$102,600, Power - \$111,502, Sewer - \$81,800, Streets - \$65,500, Water - \$60,218

#### General Fund Highlights – Revenue/Expenses \$21,396,017

- Proposing certified tax rate (CTR) remain stable through truth-in-taxation hearing. Reflected as a change for final budget.
- New Positions: Police patrol, Fire Marshall, part-time recreation maintenance, inspector/plans examiner, increased wages for some library positions, two-hours per day added window coverage.

#### Water Fund Highlights – Revenue/Expenses \$7,707,093

- Priority projects for water is fire hydrant repair and broken/additional valves.
- Well #2 project funded through American Rescue Plan Act of 2021 (ARPA) funds.
- 1300 South Nebo Loop Road to Canyon Road 1200-foot 20-inch pipe financed through impact fees.

- Spring Lake pump funded through water bonds.
- Carried over 100 South PI Project (upsized 4,300 feet of pipe to the eastern area of the upper pressure zone) a portion paid through impact fees.

Water Impact Fees – Revenue/Expenses \$1,016,100

Solid Waste Highlights – Revenue/Expenses \$3,617,851

- Fencing for landfill.
- No gravel royalties recognized due to prepaid revenues by Kenny Seng (scales and ballfield).
- Upgraded scales (Kenny Seng).
- Link Belt equipment through Internal Revolving Fund.

Electric Power Highlights – Revenue/Expenses \$17,080,627

- Purchased electricity \$8,500,000.
- Golf Course line \$650,000.
- Property for a substation.
- SESD buyout \$600,000 yearly.

Power Impact Fees – Revenue/Expenses \$777,300

Wastewater (Sewer) Highlights – Revenues/Expenses \$6,140,146

- Sewer Plant Upgrade – Bonding and equipment pre-purchase will require a budget adjustment. Any rate adjustments will require budget adjustments prior to final budget. Staff proposes a two-step approach to rate increases to cover the upcoming sewer bond. First step 35% increase to begin accruing bond coverage funds. Second step will calculate after final bonding and engineering costs are calculated.

Ambulance Highlights – Revenue/Expenses \$1,017,241

- New billing processor; collects more revenue.
- Major source of expenditures is operation expenses.
- Bringing on paramedic program.

Golf – Revenue/Expenses \$1,599,961

- Second year of RV Park.
- Mow equipment purchase through revolving loan \$252,027.
- Golf assistant position.
- Paths, pavilion, and fencing \$15,000.
- Utility sprayer for all city properties \$45,493. Carryover from last year.

Storm Drain Highlights – Revenue/Expenses \$1,105,577

- 400 North project \$60,000.

Special Revenue Funds and Capital Fund Highlights – Revenues/Expenses \$1,399,600

- \$8,400,000 downtown project with \$5,000,000 grant from the State and \$3,400,000 from General Fund, fund balance.
- ARPA funds for sewer by the high school and well #2.

- Special Revenue Funds – Revenues/Expenses \$1,399,600
- Capital – Revenues/Expenses \$10,443,650
- Revolving Loan – Revenues/Expenses \$1,420,027
- Perpetual Care - Revenues/Expenses \$250,000

Internal Service Funds

- Vehicle Maintenance – Revenues/Expenses \$416,236
- IT – Revenues/Expenses \$499,151

Proposed Utility Rates

- Propose 7% increase for all utilities except sewer and pressurized irrigation.
- Sewer rates two-tiered approach. First tier 35% increase to begin accruing funds to pay for sewer project. Second tier true up to cover bonds.
- Pressurized irrigation not considered for a rate increase because recently adjusted.
- Projections of proposed utility rate costs and revenues are based on historical usage between 2/1/2021 to 1/31/2022 city wide and an average residential usage.
- Average resident increase = \$22.54. Generates \$2.7 million.

**MOTION: Councilmember Hulet – To open the public hearing.** Motion seconded by Councilmember Christensen. A roll call vote was taken as follows and the motion carried.

Yes - Linda Carter  
 Yes - Brett Christensen  
 Yes - Taresa Hiatt  
 Yes - Brian Hulet  
 Yes - Bob Provstgaard

Public Comment:  
 No public comments.

**MOTION: Councilmember Christensen – To close the public hearing.** Motion seconded by Councilmember Carter. A roll call vote was taken as follows and the motion carried.

Yes - Linda Carter  
 Yes - Brett Christensen  
 Yes - Taresa Hiatt  
 Yes - Brian Hulet  
 Yes - Bob Provstgaard

Council Discussion:

Councilmember Hulet noted for residents at the city’s new website, click on calendar; and it has links to the city council meeting items. It includes this tentative budget. He encourages residents to read through the first 4-5 pages on what the City is doing and accomplishing with the budget. He questioned why the park impact fees drop about \$130,000 the it was recently increased. He agrees with the truth in taxation; it has been very good for the City. The inflation rate in Utah is calculated at 10%, and the City looking at a 7% impact. He appreciates all the work on the budget. There are a lot more needs than money available.

Cathy Jensen clarified this is just an initial projection and will be trued up with the final budget.

**MOTION: Councilmember Provstgaard – To approve the (resolution) Tentative Budget as outlined.** Motion seconded by Councilmember Christensen. A roll call vote was taken as follows and the motion carried.

Yes - Linda Carter  
Yes - Brett Christensen  
Yes - Taresa Hiatt  
Yes - Brian Hulet  
Yes - Bob Provstgaard

**MOTION: Councilmember Christensen – To grant Mayor Wright the ability to amend the agenda.** Motion seconded by Councilmember Carter. A roll call vote was taken as follows and the motion carried.

Yes - Linda Carter  
Yes - Brett Christensen  
Yes - Taresa Hiatt  
Yes - Brian Hulet  
Yes - Bob Provstgaard

E. ADJOURN TO REDEVELOPMENT AGENCY (7:00 p.m.)

**MOTION: Councilmember Christensen – To adjourn to Redevelopment Agency.** Motion seconded by Councilmember Hiatt. A roll call vote was taken as follows and the motion carried.

Yes - Linda Carter  
Yes - Brett Christensen  
Yes - Taresa Hiatt  
Yes - Brian Hulet  
Yes - Bob Provstgaard

1. **Public Hearing/Resolution – Review and Adoption of RDA Tentative Budget for Fiscal Year 2022-2023**

Staff Presentation:

Cathy Jensen explained there are only two items in the RDA, Downtown, which is the Walgreens contract, and Business Park, which is cell tower revenue.

**MOTION: Director Hulet – To open the public hearing.** Motion seconded by Director Provstgaard. A roll call vote was taken as follows and the motion carried.

Yes - Linda Carter  
Yes - Brett Christensen  
Yes - Taresa Hiatt

Yes - Brian Hulet  
Yes - Bob Provstgaard

Public Comment:  
No public comments

**MOTION: Director Carter – To close the public hearing.** Motion seconded by Director Hiatt. A roll call vote was taken as follows and the motion carried.

Yes - Linda Carter  
Yes - Brett Christensen  
Yes - Taresa Hiatt  
Yes - Brian Hulet  
Yes - Bob Provstgaard

Council Discussion:  
Councilmember Hiatt questioned the time left on the Walgreen contract.

Dave Tuckett stated the term was for 20 years and there is about eight years left.

**MOTION: Director Hulet – To approve (resolution) the RDA Tentative Budget for Fiscal Year 2022-2023.** Motion seconded by Director Christensen. A roll call vote was taken as follows and the motion carried.

Yes - Linda Carter  
Yes - Brett Christensen  
Yes - Taresa Hiatt  
Yes - Brian Hulet  
Yes - Bob Provstgaard

#### F. ADJOURN FROM REDEVELOPMENT AGENCY

**MOTION: Director Christensen – To adjourn from Redevelopment Agency.** Motion seconded by Director Hulet. A roll call vote was taken as follows and the motion carried.

Yes - Linda Carter  
Yes - Brett Christensen  
Yes - Taresa Hiatt  
Yes - Brian Hulet  
Yes - Bob Provstgaard

#### D. ACTION ITEMS (continued)

2. Public Hearing/Ordinance – Request to extend the municipal boundaries to encompass the property included in the proposed Pace Industrial Park Annexation containing 26.77 acres located at approximately 700 West 400 North (7:05 p.m.)

Staff Presentation:

Michael Bryant stated this annexation is 26.77 acres at 700 West 400 North, and the applicant is asking for the I-1, Light Industrial Zone with a variety of industrial uses. Currently, the property is used as the Triticale farming. The proposal matches the General Plan for this area, and the applicant has met all city requirements for annexation. The Planning Commission met on April 13 and gave a positive recommendation. Staff will work with the applicant on any pending redlines and concerns. Staff recommends approval of the annexation with the requested zone designation.

Councilmember Hulet requested the planning commission minutes be provided in the packet for the Council to see the comments.

**MOTION: Councilmember Carter – To open the public hearing.** Motion seconded by Councilmember Hiatt. A roll call vote was taken as follows and the motion carried.

Yes	-	Linda Carter
Yes	-	Brett Christensen
Yes	-	Taresa Hiatt
Yes	-	Brian Hulet
Yes	-	Bob Provstgaard

Public Comment:

No public comments.

**MOTION: Councilmember Hulet – To close the public hearing.** Motion seconded by Councilmember Hiatt. A roll call vote was taken as follows and the motion carried.

Yes	-	Linda Carter
Yes	-	Brett Christensen
Yes	-	Taresa Hiatt
Yes	-	Brian Hulet
Yes	-	Bob Provstgaard

Council Discussion:

Councilmember Provstgaard stated not knowing their plan, the project needs to address traffic to the north and the truck lane.

Mayor Wright clarified a road connecting to 9600 South.

**MOTION: Councilmember Provstgaard – To approve the (ordinance) Pace Industrial Park Annexation as platted with staff comments and Planning Commission approval as findings.** Motion seconded by Councilmember Hiatt. A roll call vote was taken as follows and the motion carried.

Yes	-	Linda Carter
Yes	-	Brett Christensen
Yes	-	Taresa Hiatt
Yes	-	Brian Hulet

Yes - Bob Provstgaard

3. Resolution - Adoption of the Mountainland Pre-Disaster Hazard Mitigation Plan (7:12 p.m.)

Staff Presentation:

Shauna Mecham stated this mitigation plan saves money when a disaster occurs and allows FEMA funds to be available. The Plan is on the Mountainland Association of Governments website and includes a risk assessment section with various maps of fire, flood, and earthquakes. Using these maps and other information, mitigation strategies were created for Payson.

**MOTION: Councilmember Hulet – To approve the (resolution) adoption of the Mountainland Pre-Disaster Hazard Mitigation Plan.** Motion seconded by Councilmember Carter. A roll call vote was taken as follows and the motion carried.

Yes - Linda Carter  
Yes - Brett Christensen  
Yes - Taresa Hiatt  
Yes - Brian Hulet  
Yes - Bob Provstgaard

4. Resolution – Staheli Payson Addition Annexation petition for consideration of acceptance and further review located at approximately 675 Goosenest Drive consisting of 24.6 acres (7:15 p.m.)
5. Resolution – Lunaria Annexation petition for consideration of acceptance and further review located at approximately 100 South 1550 East consisting of 5.18 acres
6. Resolution – Barberry Hills Annexation petition for consideration of acceptance and further review located at approximately 2024 West 10300 South consisting of 10.26 acres

Staff Presentation:

Robert Mills stated the next three items will be addressed together. The Council and staff met previously in a work session and reviewed criteria for annexations. Staff developed the following criteria.

Annexation Consideration Criteria

- Minimum of 10 acres.
- All infrastructure costs related to development will be the responsibility of the applicant.
- All requirements related to power must be resolved prior to annexation. The applicant must coordinate with SESD and provide documentation that service will be provided by Payson Power and all facilities will transfer to Payson Power at the expense of the applicant.
- Engineering and subdivision plans necessary to support the requested zoning designation are provided with the annexation application. A development permit shall be required within five years of annexation/zoning approval or zoning designation will revert to the A-5-H Zone.
- Ensure utilities are currently available to service the area proposed for annexation or are able to be upgraded and tie directly into the existing system.
- A specific area plan is in place.

- The applicant has provided an explanation of benefits that the proposed annexation will provide economic, natural resources, connectivity, services, etc.

Council Discussion:

Councilmember Hulet questioned an area specific plan

Robert Mills clarified a weighted score will be developed so a specific area plan may not carry a high weight. Staff and the Council can work with the criteria and revise as needed.

Councilmember Provstgaard stated he likes the minimum 10 acres, but there should be verbiage that a smaller acreage would be considered if it completes a current project or something already proposed. If the applicant is doing everything asked in the criteria and is ready to annex and move on a project, he would consider two to three years instead of five years for the development permit.

Robert Mills agreed on the smaller acreage if it makes sense. When property is annexed, the City is solely responsible for services, etc.

Staff Presentation:

Michael Bryant reviewed the three proposed annexations for further review. The Staheli Payson Addition Annexation is 24.6 acres at approximately 675 Goosenest Drive with the request for the R-1 A and A-5 H Zones. The Lunaria Annexation is 5.18 acres at approximately 100 South 1550 East with no zone request. The Barberry Hills Annexation is 10.26 acres located adjacent to the Lunaria Annexation for the R-1-7500 Zone. Staff recommends accepting the annexation request for the Staheli Payson Addition Annexation. Staff recommends denial of the Lunaria and Barberry Hills Annexations because utilities cannot be properly serviced in the area according to Public Works.

Robert Mills stated the denials are based on the fact that the sewer would flow to a lift station that is currently in litigation, which needs to be resolved. It is better to say no now instead of leaving the applicant in limbo. The R-1-7500 Zone for Barberry Hills is relatively close to the General Plan density. If the Council denies an application, it is over. The applicant would need to reapply. The County charges \$100 to start the process, and the City changes a base of \$300.

Council Discussion:

Jason Sant stated the landowner in the area built the lift station for the City. The Army Corp of Engineers has found the City in violation because the lift station is in wetlands. The City can accept the violation and pay a penalty, or the landowner is willing to fight the violation on behalf of the City. No additional properties can be added into the lift station until the litigation is resolved.

Councilmember Provstgaard stated the applicant for Lunaria and Barberry Hills Annexations could join with the lift station landowner in moving this forward.

Councilmember Hulet questioned the plans for the Staheli Payson Addition Annexation.

Michael Bryant stated he would need to review the application.

Dave Tuckett stated the Staheli family is looking at building homes for themselves.

Councilmember Christensen noted it's important to have the litigation taken care of. If it takes two years to organize plans, the applicant may not want to sit in limbo.

**MOTION: Councilmember Hulet – To approve the (resolution) Staheli Payson Addition Annexation petition for consideration and further review on 675 Gooseneck Drive.** Motion seconded by Councilmember Carter. A roll call vote was taken as follows and the motion carried.

Yes - Linda Carter  
Yes - Brett Christensen  
Yes - Taresa Hiatt  
Yes - Brian Hulet  
Yes - Bob Provstgaard

**MOTION: Councilmember Provstgaard – To deny further study on the Lunaria Annexation petition pending the resolve of the sewer litigation currently going on that would sewer the property.** Motion seconded by Councilmember Christensen. A roll call vote was taken as follows and the motion carried.

Yes - Linda Carter  
Yes - Brett Christensen  
Yes - Taresa Hiatt  
Yes - Brian Hulet  
Yes - Bob Provstgaard

**MOTION: Councilmember Provstgaard – To deny further study on the Barberrry Hills Annexation petition pending the resolve of the sewer litigation currently going on that would sewer the property.** Motion seconded by Councilmember Carter. A roll call vote was taken as follows and the motion carried.

Yes - Linda Carter  
Yes - Brett Christensen  
Yes - Taresa Hiatt  
Yes - Brian Hulet  
Yes - Bob Provstgaard

7. Request for use of the I-O Infill Overlay to allow infill development associated with the Maples Subdivision located at 1349 South 780 West (7:37 p.m.)
8. Preliminary Plan and Final Plat approval of the Maples Subdivision located at 1349 South 780 West

Staff Presentation:

Michael Bryant reported this request divides the property into two lots for single-family homes. The overlay is needed because the lot sizes are under the required zoning designation. The current zoning is R-1-9. The request meets the General Plan and underlying zone requirements as well as the requirements for the infill overlay. Staff will work with applicant on any redlines. Staff recommends approval for the I-O, Infill Overlay and preliminary plan and final plat approval.

**MOTION: Councilmember Christensen – To approve the I-O Infill Overlay for 1349 South 780 West.** Motion seconded by Councilmember Hulet. A roll call vote was taken as follows and the motion carried.

Yes - Linda Carter  
Yes - Brett Christensen  
Yes - Taresa Hiatt  
Yes - Brian Hulet  
Yes - Bob Provstgaard

**MOTION: Councilmember Hulet – To approve the preliminary plan and final plat for the Maples Subdivision at 1349 South 780 West.** Motion seconded by Councilmember Carter. A roll call vote was taken as follows and the motion carried.

Yes - Linda Carter  
Yes - Brett Christensen  
Yes - Taresa Hiatt  
Yes - Brian Hulet  
Yes - Bob Provstgaard

9. Ordinance – Redford Investments zone change for eight parcels located at approximately 900 North Main St from S-1, Specific Highway Service Zone to I-1, Light Industrial Zone (7:40 p.m.)

Staff Presentation:

Michael Bryant stated this zone change is for eight parcels currently in the S-1, Special Highway Service Zone. The applicant is asking for the I-1, Light Industrial Zone. The parcels are irregular and will be reconfigured at a later date. The request matches General Plan for this area, and industrial is on the future land use map for this area. The applicant has met all the city requirements for approval. Staff will work with the applicant on any redlines. The Planning Commission held a public hearing on April 13 and recommended moving forward. Staff recommends approval as well as the applicant working with UDOT regarding the proposed layout of the north interchange road. He clarified the S-1, Special Highway Service Zone includes highway related businesses, gas stations, hotels, and restaurants.

**MOTION: Councilmember Provstgaard – To approve the (ordinance) Redford Investments zone change for eight parcels located at approximately 900 North Main Street from S-1, Specific Highway Service Zone to I-1, Light Industrial Zone, with the finding it meets the General Plan and meeting staff and Planning Commission recommendations for approval.** Motion seconded by Councilmember Carter. A roll call vote was taken as follows and the motion carried.

Yes - Linda Carter  
Yes - Brett Christensen  
Yes - Taresa Hiatt  
Yes - Bob Provstgaard

Brian Hulet recused himself because he has dealings with one of the investors in the property who manages one of his properties.

10. Ordinance – Amendments to the General Plan specifically the South Meadows Area Specific Plan regarding Hiatt Creek Subdivision, Plat C (7:45 p.m.)

Staff Presentation:

Michael Bryant stated this is a second amendment to the density in the area. The density change is from three units to six units per acre on the western side of the parcel to allow a multifamily zoning designation that caps at six units per acre. There is a Public Works concern and request that the approval be conditioned upon engineering staff’s recommendation concerning infrastructure (sewer) capacity.

Council Discussion:

Councilmember Christensen stated the concern deals with an increase in density and questionable as to whether the sewer capacity will allow it. It was a request from the Council to make this adjustment and go to the six units per acre. He understands it is an issue but hopes it can be resolved.

Travis Jockumsen noted the City can handle this request; but if the City continues allowing higher density on every parcel, it makes it difficult for staff to plan ahead and make a model. A number needs to be set so the area can be modeled. The Master plans were modeled for the densities in the General Plan. If the City keeps doing this, it steals density from another development or utilities will need to be upsized that weren’t planned.

Councilmember Hiatt stated the Council told them last year what the City wanted so they did it.

Councilmember Christensen stated the council’s request came after the General Plan amendments. This adjacent to higher density property and a better transition.

Councilmember Provstgaard stated at some point, sooner than later, the Council needs to discuss that things are moving to the south faster than anticipated and start addressing future sewer, which was thought to be 10 years out.

**MOTION: Councilmember Provstgaard – To approve the (ordinance) amendment to the General Plan of the South Meadows Area Specific Plan going from three units per acre to six units per acre on the area viewed this evening.** Motion seconded by Councilmember Christensen. A roll call vote was taken as follows and the motion carried.

Yes	-	Linda Carter
Yes	-	Brett Christensen
Yes	-	Taresa Hiatt
Yes	-	Brian Hulet
Yes	-	Bob Provstgaard

11. Ordinance – Amendments to the General Plan specifically the South Meadows Area Specific Plan regarding Red Bridge Villages development (7:50 p.m.)

12. Ordinance – Amendments to Title 19, Zoning
13. Preliminary Plan and Final Plat approval of the Red Bridge Station Super Pads Subdivision located at approximately 800 South 1700 West
14. Ordinance – Red Bridge #1 zone change for a portion of parcel 29:012:0024 from A-5-H, Annexation Holding Zone to RMF-15, Residential Multifamily Zone
15. Ordinance – Red Bridge #2 zone change for a portion of parcel 29:012:0024 from A-5-H, Annexation Holding Zone to S-1, Special Highway Service Zone
16. Red Bridge Station Overlay – Request for use of the MU-1, Mixed Use Overlay on approximately 105 acres at approximately 800 South 1700 West

Staff Presentation:

Michael Bryant stated the Red Bridge project is located at approximately 800 South and 1700 West. These proposed items include a mixed-use pedestrian-oriented development, a “super pad” subdivision totaling 77.23 acres with a mix of commercial and residential uses for a more focused development, and several land-use approvals to allow the Red Bridge Station development to move forward.

The Title 19 amendments include changing the MU-1 Overlay (section 19.6.35) to allow land uses for accessory buildings in support of public infrastructure or community amenities; allowing drive-up service windows, e-bike/scooter rentals and sales, pool maintenance rooms and restrooms, dumpster enclosures; changing lot width requirements from 150 feet to 80 feet; allowing buildings up to five stories tall (current limit is four); increasing interior height limits from 48 feet to 58 feet; allowing deliveries to small street-facing shops; changing overlay approval validity from one year to three years with the possibility of extending in 12-month increments; allowing the Master Project Owners Alliance shared allocation of open space, amenities, etc.; and allowing several sections of the property to have an 85% of coverage. The Council can approve up to 90% coverage in a zone, and the current coverage is 80%.

The South Meadows Area Specific Plan amendments increase the overall unit count from the base scenario of 664 units in 2016 to the proposed 1,140 units. A previous amendment in 2021 allowed 1,125 units. This equates to 115 more units than the previous amendment and 576 more units than the base scenario. This is an up-to number and is a legislative change. Other factors to consider include the results of the 800 South Alignment Study, trail corridors, land use delineations, etc. Map shown of the new alignment of 800 South.

Red Bridge #1 & #2 zone changes request a portion to the RMF-15 Zone and the other portion to the S-1 Zone. The S-1 Zone will open the door for the MU-1 Overlay. The wetland area is proposed to be part of RMF-15 Zone and is included in the density calculations.

The Red Bridge MU-1 Overlay can be applied only in the S-1 Zone and is a legislative approval. If approved, developments within the overlay will need to satisfy all requirements of the ordinance and will be reviewed when applicants submit preliminary and final development plans within the overly.

Red Bridge Station Super Pads Subdivision includes 16 separate lots and enables the project to move forward incrementally rather than all at once. Super-pad delineation will guide phases in which development is built out, clearly defines development costs for PID verses development costs, defines transportation network including the 800 South corridor preservation, and allows parcels to change ownership including the parcel that will be dedicated to MTECH. Review of subdivision layout.

Staff recommendations include approval for Title 19 amendments, South Meadows Area Specific Plan amendment, two zone changes, MU-1 Overlay, and preliminary plan and final plat of the Red Bridge Station Super Pads Subdivision provided the applicant work with staff on any final plat review comments.

#### Council Discussion:

Councilmember Christensen questioned the plan for Parcel B, wetlands and if it would be trails and open space and developed concurrently. It's a concern; sometimes it doesn't get done until the very end. It is needed with the number of residents.

Councilmember Hulet stated if it's not done at the beginning, it needs to be bonded for so the city knows it will get done. He questioned that once the subdivision is recorded the property will be transferred to MTECH.

Sheila Michaelis stated Parcel B is already bonded for the trails, and the property will be transferred to MTECH once subdivided. They will develop their portion of the road to the south.

Councilmember Hiatt questioned buildings going from 48 to 58 feet tall; if the City allows it now, will the City allow it for everyone.

Councilmember Christensen stated part of the concern is having a ladder truck that can handle a five-story building.

Robert Mills noted the Fire Department has cleared the proposal.

Jerry Robinson clarified when 800 South was cut through the middle of the project, everything was trashed; and they started over. They lost area, it added to complexity, reduced efficiency radically, and caused some commercial lots to be shallow. Their entire road was shifted to the south but couldn't take land from MTECH. To make it work and have enough units for the commercial to be viable, they took the buildings up another story. The UDOT road cuts traffic; you can't have retail without traffic. To get the units to balance, the commercial had to group another story or the commercial wouldn't work physically or economically. They have committed to Chief Spencer to upgrade the sprinkler systems to commercial grade sprinklers. Parking requirements have been met by adding and shifting stalls; there is enough parking for 200 more unit.

Councilmember Provstgaard stated he wasn't on Council with the first concepts and phases were introduced. You've increased the density with less ground so he doesn't have any sympathy as far as increasing the density and going up a story. It doesn't hold water with him. He still likes the project and wants to make it work. He's having a little bit of heartburn with that high of density. He doesn't like hearing developers cry they are being squeezed when they are increasing density by 20%.

Councilmember Hulet noted when first came, there was 2,500 units and no one wanted it. It has come down and now up a little because of the five-lane highway.

Councilmember Hiatt questioned using the 15 acres of wetlands as part of the density and if that is always done. The City turned down another project with wetlands, and they couldn't get to their number of housing units. She agreed with Councilmember Provstgaard. She doesn't want to go higher than four stories because it blocks the view at West Mountain. She questioned how people will get to the freeway when 800 South won't be rebuilt for years. Another 2,000 people can't get over the overpass. The trucks are backed up two miles away. The extension of 800 South is wider but the overpass is still two lanes. She travels the road every day and watches kids get off the school busses and dodge vehicles. Traffic backs up from the Business Park to the steel plan.

Robert Mills clarified that some of the wetlands can be used for density and some as open space.

Jerry Robinson presented a map of the entire project area and a map of the future UDOT 800 South road, which has no impact on the project whatsoever. He appreciates the concern, but this is a fraction of what will come from the west.

Councilmember Christensen stated currently, 800 South is a UDOT C grade. Implementation of this project forces it to D and F grades.

Sheila Michaelis stated 1700 West and 1130 South will be widened to two lanes each side; 850 South will be substantially larger. Kids getting off the busses now is a problem because the roads aren't improved.

Councilmember Provstgaard stated this developer can't control UDOT; UDOT has to widen the overpass. UDOT won't do anything until the population goes up, and there is a problem such as a critical wreck or something that gets UDOT's attention.

Councilmember Hiatt stated it is the city's problem. People will go through the industrial park and up Utah Avenue.

Mayor Wright stated it's a problem that will have to be addressed because of what is happening there. UDOT is aware.

Jerry Robinson stated this is a catalyst for it to change.

Councilmember Christensen stated this isn't a huge increase from the amendment approval. He is okay with the five-story buildings if the number of units is kept lower.

Councilmember Hulet is okay with the building height and increased units because of the road coming through and the 13-acre land donation for MTECH. Many projects are given variances, and they don't give anything back to the City.

Jerry Robinson stated they are giving a huge sewer line, new water well to serve 10,000 people, water infrastructure, and five miles of trails and sidewalks far over normal. There are many contributions beyond this project.

Sheila Michaelis stated she has an email from Hansen Allen & Luce stating the increase in units will not change the needed sewer capacity for their project.

Jerry Robinson stated it's critical to remember there are new two-story townhomes at 1130 South and 1700 West. Our four-plex units are two stories. The condos along 1700 West are three stories. We are matching areas. The five-story buildings are not near any existing buildings but closer to the tracks. The future 800 South road will be 25 to 30 feet in the air. Our buildings will not be overpowering as it would be in another area of the City.

Councilmember Hulet thanked planning and zoning for all their work on this project especially with the new UDOT road. The developer has put a lot more money into it. The Planning Commission has done a lot of work also and recommended approval and staff recommended moving forward. He would like to see it approved as presented.

**MOTION: Councilmember Hulet – To approve the (ordinance) amendments to the General Plan – South Meadows Area Specific Plan regarding the Red Bridge Villages development.** Motion seconded by Councilmember Carter. A roll call vote was taken as follows and the motion carried.

Yes	-	Linda Carter
Yes	-	Brett Christensen
Yes	-	Brian Hulet
No	-	Taresa Hiatt
No	-	Bob Provstgaard

**MOTION: Councilmember Hulet – To approve the (ordinance) amendments to Title 19, Zoning.** Motion seconded by Councilmember Provstgaard. A roll call vote was taken as follows and the motion carried.

Yes	-	Linda Carter
Yes	-	Brett Christensen
Yes	-	Taresa Hiatt
Yes	-	Brian Hulet
Yes	-	Bob Provstgaard

**MOTION: Councilmember Hulet – To approve the preliminary plan and final plat for the Red Bridge Station Super Pads Subdivision at 800 South and 1700 West, which gives them the opportunity to quickly move the one pad over to MTECH.** Motion seconded by Councilmember Christensen. A roll call vote was taken as follows and the motion carried.

Yes	-	Linda Carter
Yes	-	Brett Christensen
Yes	-	Taresa Hiatt
Yes	-	Brian Hulet
Yes	-	Bob Provstgaard

**MOTION: Councilmember Hulet – To approve the (ordinance) Red Bridge #1 zone change for a portion of parcel 29:012:0024 from the A-5-H, Annexation Holding Zone to the RMF-15, Residential Multifamily Zone.** Motion seconded by Councilmember Carter. A roll call vote was taken as follows and the motion carried.

Yes - Linda Carter  
Yes - Brett Christensen  
Yes - Taresa Hiatt  
Yes - Brian Hulet  
Yes - Bob Provstgaard

**MOTION: Councilmember Hulet – To approve the (ordinance) Red Bridge #2 zone change for a portion of parcel 29:012:0024 from the A-5-H, Annexation Holding Zone to S-1, Special Highway Service Zone.** Motion seconded by Councilmember Christensen. A roll call vote was taken as follows and the motion carried.

Yes - Linda Carter  
Yes - Brett Christensen  
Yes - Taresa Hiatt  
Yes - Brian Hulet  
No - Bob Provstgaard

**MOTION: Councilmember Hulet – To approve the Red Bridge Station Overlay for the MU-1, Mixed Use Overlay for 105 acres at 800 South 1700 West.** Motion seconded by Councilmember Carter. A roll call vote was taken as follows and the motion carried.

Yes - Linda Carter  
Yes - Brett Christensen  
Yes - Brian Hulet  
No - Taresa Hiatt  
No - Bob Provstgaard

17. Preliminary Plan approval of the Villages at Arrowhead Park, Plat M (Phase 13) located on parcel 30:010:0060 for 32 multifamily units (8:39 p.m.)

Staff Presentation:

Michael Bryant reviewed the conceptual designs. This is a multifamily housing development with 32 one-bedroom units in a single four-story building. The project fits the master plan for Village at Arrowhead Park. The Planning Commission held a public hearing on April 13 and recommend approval of the preliminary plan pending staff redlines. Staff recommends approval with the condition that required covered parking be added (one per unit) and that the applicant continue to work with staff regarding pending redlines.

Council discussion:

Councilmember Christensen questioned how does this meets the need of Payson. He doesn't see the need for one-bedroom apartments. A friend lived in a similar development in Springville where people

moved out and the rentals came in so it was impossible to sell their unit. The banks wouldn't lend on them because of the high percentage of rentals in the area.

Councilmember Provstgaard stated these are transitional apartments, short term. This is part of the product that has been presented all along. Discussions have been these will be purchased by investors and rented. The developer ensured the City it would be taken care of under the HOA or CC&R's. He doesn't like it, but it's a necessary evil.

Councilmember Hulet stated there has to be a certain amount that are not rentals to have certain government lending. It has to be applied for every year. If it drops below 50%, then certain government loans are not available. He questioned if this will be low income housing and priced as such.

Dave Gardner explained originally, the project was to be condominiumized; but with the economy and financing, these will be rentals. This was clarified in a memo as a change before the Planning Commission and Jill Spencer. The units are just over 600 square feet. In all probability, they will be owned by the developer, which is not one individual.

Councilmember Provstgaard stated ultimately, these will be built and marketed for 32 individual owners who rent.

Trent Beazley stated these will be platted as a fourplex vertically allowing the developers to own some of the units but not as a direct partnership. They could be sold in the future as four units under one tax ID number. From the beginning of this project, phase 12 was always anticipated as rental units but was transitioned to townhomes. When that happened, they told the City that they would want rental units elsewhere. There is a market because of the cost of rentals and land acquisition. Young couples and single professionals need a place to live. It's important to have an association that governs this 32 units. It reflects on the project as a whole and the neighboring units. They intend to keep a close eye on the units and have oversight with the master association to deal with these issues if it becomes a problem. Parking is 1.75 stalls per unit.

**MOTION: Councilmember Provstgaard – To approve the preliminary plan for the Villages at Arrowhead Park, Plat M, Phase 13, that it meets the staff recommendation of one covered parking per unit, follow through with staff on redlines, and the development agreement include a limited number of occupants per unit of no more than three.** Motion seconded by Councilmember Carter.

Further Discussion:

Jason Sant stated generally the City will not, by state law, require how many people can be in a unit. State law has changed as far as the definition of a family because of national trends. The City does not regulate the number of people in a home or unit. This could be covered by an HOA. According to the applicant, the master HOA and secondary HOA will control who is in and out. Subletting can be controlled with a lease. An owner of the unit can request trespassing by those not on the lease.

**AMENDED MOTION: Councilmember Provstgaard – Strike the no more than three, add that there will be no more than eight individual owners for the complex, and there cannot be subleasing.** No second. Amended motion dies.

Jason Sant stated this can be remanded back to staff to work out these issues. He stressed, the City does not want to get into who rents or even controlling the number of owners. It is up to them.

**MOTION RESTATED: Councilmember Provstgaard – To approve the preliminary plan for the Villages at Arrowhead Park, Plat M, Phase 13, for the 32 multifamily units with staff recommendation and Planning Commission recommendation of one covered parking per unit, and upon their commitment to the City, there will be no more than eight parcel owners of the project.** Motion seconded by Councilmember Hiatt.

A roll call vote was taken as follows and the motion carried.

Yes	-	Linda Carter
Yes	-	Brett Christensen
Yes	-	Taresa Hiatt
No	-	Brian Hulet
Yes	-	Bob Provstgaard

Councilmember Hulet disclosed with regards to Red Bridge that he is a trustee MTECH and would not have changed his vote.

**18. Resolution – Agreement with Spring Valley Development regarding Economic Development (8:55 p.m.)**

**Staff Presentation:**

Dave Tuckett stated this consulting agreement proposes Spring Valley LLC assist with economic development efforts of the City, which is Councilmember Hulet. It was explained that he would have to resign from the Council and then the City would pick a replacement for the remainder of his term. If the agreement is approved, he would provide a letter of resignation with an effective date. Legally, he can participate in choosing the new councilmember. As a personal matter, Brian Hulet and Mayor Wright have done some great things with economic development for the City, i.e. Parris RV and the forthcoming CMP shooting range.

**Council Discussion:**

Councilmember Provstgaard state he is in 100% support of Brian Hulet and this endeavor but hates losing him on Council. He is very valuable to the citizens of Payson. He asked that his resignation be effective when he takes this on.

Dave Tuckett stated the agreement won't be effective until he is off the Council and can be included in the motion.

**MOTION: Councilmember Provstgaard – To approve the (resolution) agreement with Spring Valley Development regarding economic development as constituted.** Motion seconded by Councilmember Hiatt. A roll call vote was taken as follows and the motion carried.

Yes	-	Linda Carter
Yes	-	Brett Christensen

Yes - Taresa Hiatt  
Yes - Brian Hulet  
Yes - Bob Provstgaard

G. ADJOURNMENT

**MOTION: Councilmember Hiatt – To adjourn.** Motion seconded by Councilmember Hulet. Those voting yes: Linda Carter, Brett Christensen, Taresa Hiatt, Brian Hulet, Bob Provstgaard. The motion carried.

The meeting adjourned at 9:03 p.m.

/s/ Kim E. Holindrake  
Kim E. Holindrake, City Recorder